
I. For the purpose of applying the limit in item A, a nursing facility in Kandiyohi County licensed for 86 beds that was granted hospital-attached status on December 1, 1994, shall have the prior year's allowable care-related per diem increased by \$3.207 and the prior year's other operating cost per diem increased by \$4.777 before adding the inflation in item D, subitem (2), for the rate year beginning on July 1, 1997.

J. For the purpose of applying the limit stated in item A, a 117 bed nursing facility located in Pine County shall have the prior year's allowable other operating cost per diem increased by \$1.50 before adding the inflation in item D, subitem (2), for the rate year beginning on July 1, 1997.

K. For the purpose of applying the limit under item A, a nursing facility located in Hibbing licensed for 192 beds shall have the prior year's allowable other operating cost per diem increased by \$2.67 before adding the inflation in item D, subitem (2), for the rate year beginning on July 1, 1997.

L. A 49 bed nursing facility located in Norman County and a 129 bed nursing facility located in Polk County destroyed by the spring floods of 1997 are eligible for total replacement. These nursing facilities shall have their operating cost payment rates established using the provisions in Section 12.000, and this State plan amendment, except that the limits in items A and B of this section shall not apply until after the second rate year after the settle-up cost report is filed. The property-related payment rates are determined pursuant to Section 15.000, taking into account any federal or state flood-related loans or grants.

M. (1) After computing the payment rate of the 302 bed nursing facility in Section 11.046, item H, the Department must make a one-year rate adjustment of \$8.62 to the facility's contract payment rate for the rate effect of operating cost changes associated with the facility's 1994 downsizing project.

(2) The Department must also add 35 cents to the facility's base property related payment rate for the rate effect of reducing its licensed capacity to 290 beds from 302 beds and must add 83 cents to the facility's real estate tax and special assessment payment rate for payments in lieu of real estate taxes. The adjustments in this subitem must remain in effect for the duration of the facility's contract.

SECTION 11.048 Changes to nursing facility reimbursement beginning July 1, 1998.

A. For the purpose of applying the limit in Section 11.047, item A, a nursing facility in Hennepin county licensed for 181 beds on September 30, 1996, has the prior year's allowable care-related per diem increased by \$1.455 and the prior year's other operating cost per diem increased by \$0.439 before adding the inflation in Section 11.047, item D, subitem (2), for the rate year beginning July 1, 1998.

B. For the purpose of applying the limit in Section 11.047, item A, a nursing facility in Hennepin county licensed for 161 beds on September 30, 1996, has the prior year's allowable care-related per diem increased by \$1.154 and the prior year's other operating cost per diem increased by \$0.256 before adding the inflation in Section 11.047, item D, subitem (2), for the rate year beginning July 1, 1998.

C. For the purpose of applying the limit in Section 11.047, item A, a nursing facility in Ramsey county licensed for 176 beds on September 30, 1996, has the prior year's allowable care-related per diem increased by \$.083 and the prior year's other operating cost per diem increased by \$0.272 before adding the inflation in Section 11.047, item D, subitem (2), for the rate year beginning July 1, 1998.

D. For the purpose of applying the limit in Section 11.047, item A, a nursing facility in Brown county licensed for 86 beds on September 30, 1996, has the prior year's allowable care-related per diem increased by \$0.850 and the prior year's other operating cost per diem increased by \$0.275 before adding the inflation in Section 11.047, item D, subitem (2), for the rate year beginning July 1, 1998.

E. For the rate year beginning July 1, 1998, the Department will compute the payment rate for a nursing facility, which was licensed for 110 beds on May 1, 1997, was granted approval in January 1994 for a replacement and remodeling project under the moratorium exception process and completed the approval replacement and remodeling project on May 14, 1997, by increasing the other operating cost spend-up limit under item A by \$1.64. After computing the facility's payment rate for the rate year beginning July 1, 1998, according to this section, the Department will make a one-year positive rate adjustment of \$.48 for increased real estate taxes resulting from completion of the moratorium exception project, without application of items A and B.

F. For the rate year beginning July 1, 1998, the Department will compute the payment rate for a nursing facility exempted from the care-related limits under Section 19.030, with a minimum of three-quarters of its beds licensed to provide residential services for the physically handicapped, with the care-related spend-up limit of Section 11.047, item A, increased by \$13.21 for the rate year beginning July 1, 1998, without application of Section 11.047, item B. For rate years beginning on or after July 1, 1999, the Department will exclude that amount in calculating the facility's operating cost per diem for purposes of applying Section 11.047, item B.

G. For the rate year beginning July 1, 1998, a nursing facility in Canby, Minnesota, licensed for 75 beds will be reimbursed without the limitation imposed in Section 11.047, item A, and for rate years beginning on or after July 1, 1999, its base costs will be calculated on the basis of its September 30, 1997 cost report.

H. Effective July 1, 1998, the nursing facility reimbursement changes in subitems (1) and (2) will apply in the sequence specified in this section.

(1) For rate years beginning on July 1, 1998, the operating cost limits established by Section 10.020, item B, subitems (1) through (3); Section 15.138; and any previously effective corresponding limits in state law or rule do not apply, except that these cost limits will still be calculated for purposes of determining efficiency incentive per diems in Section 11.047, item D. For rate years beginning on July 1, 1998, the total operating cost payment rates for a nursing facility are the greater of the total operating cost payment rates determined under this section or the total operating cost payment rates in effect on June 30, 1998, subject to rate adjustments due to field audit or rate appeal resolution.

(2) For rate years beginning on July 1, 1998, the operating cost per diem in Section 11.047, item A, subitem (1), units (a) and (b), is the sum of the care-related and other operating per diems for a given case mix class. Any reductions to the combined operating per diem are divided proportionally between the care-related and other operating cost per diems.

I. For rate years beginning on July 1, 1998, the Department will modify the determination of the spend-up limits in Section 11.047, item A, by indexing each group's previous year's median value by the factor in Section 11.0147, item D, subitem (2), plus one percentage point.

J. For rate years beginning on July 1, 1998, the Department will modify the determination of the high cost limits in Section 11.047, item B, by indexing each group's previous year's high cost per diem limits at .5 and one standard deviations above the median by the factor in Section 11.047, item D, subitem (2), plus one percentage point.

SECTION 11.049 Changes to nursing facility reimbursement beginning July 1, 1999.

A. The base operating rate is the rate for the rate year beginning July 1, 1998.

B. For the rate year beginning July 1, 1999, the Department will make an adjustment to the total operating payment rate for a nursing facility paid by the prospective rate-setting methodology described in Sections 1.000 to 20.000 or by the contractual rate-setting methodology described in Section 21.000 that submits a plan, approved by the Department, in accordance with subitem (2). Total operating costs will be separated into compensation-related costs and all other costs. Compensation-related costs include salaries, payroll taxes, and fringe benefits for all employees except management fees, the administrator, and central office staff.

(1) For the rate year beginning July 1, 1999, the payment rate is increased by 4.843 percent of compensation-related costs and 3.446 percent of all other operating costs. A nursing facility's final 1998 Medicare cost report will be used to calculate the adjustment.

STATE: MINNESOTA

Effective: July 1, 2000

TN: 00-22

Approved:

Supersedes: 99-10 (99-04/98-22/97-20/97-11)

ATTACHMENT 4.19-D (NF)

Page 62

(2) To receive the total operating payment rate adjustment, a nursing facility must apply to the Department. The application must contain a plan by which the nursing facility will distribute the compensation-related portion of the payment rate adjustment to employees of the nursing facility. For a nursing facility in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan.

(a) The Department will review the plan to ensure that the payment rate adjustment per diem is used as provided in subitem (1).

(b) To be eligible, a nursing facility must submit its plan for the compensation distribution by December 31 each year. A nursing facility may amend its plan for the second rate year by submitting a revised plan by December 31, 2000. If a nursing facility's plan for compensation distribution is effective for its employees after July 1 of the year that the funds are available, the payment rate adjustment per diem shall be effective the same date as its plan.

(3) The payment rate adjustment for each nursing facility will be determined under clauses (a) or (b).

(a) For a nursing facility that reports salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the Department will determine the payment rate adjustment using the categories listed above multiplied by the rate increases in subitem (1), and then dividing the resulting amount by the nursing facility's actual resident days. In determining the amount of a payment rate adjustment for a nursing facility paid under Section 21.000, the Department must determine the proportions of the nursing facility's rates that are compensation-related costs and all other operating costs based on its most recent cost report; or

(b) For a nursing facility that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the payment rate adjustment will be computed using the nursing facility's total operating costs, separated into the categories listed above in proportion to the weighted average of all nursing facilities determined under subitem (3), clause (a), multiplied by the rate increases in subitem (1), and then dividing the resulting amount by the nursing facility's actual resident days.

C. If the performance-based contracting payment system anticipated to be effective by July 1, 2001 is not implemented until that date, the salary adjustment per diem in Section 11.055 continues until June 30, 2001.

D. For the rate year beginning July 1, 1999, the following nursing facilities are allowed a rate increase equal to 67 percent of the rate increase that would be allowed if Section

STATE: MINNESOTA

Effective: July 1, 2000

TN: 00-22

Approved:

Supersedes: 99-10 (99-04/98-22/97-20/97-11)

ATTACHMENT 4.19-D (NF)

Page 63

11.047, item A was not applied:

(1) A nursing facility in Carver county licensed for 33 beds and four boarding care beds;

(2) A nursing facility in Faribault county licensed for 159 beds on September 30, 1998; and

(3) A nursing facility in Houston county licensed for 68 beds on September 30, 1998.

These increases are included in each facility's total payment rates for the purpose of determining future rates.

E. For the rate year beginning July 1, 1999, the following nursing facilities will be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if Section 11.047, items A and B were not applied:

(1) A nursing facility in Chisago county licensed for 135 beds on September 30, 1998; and

(2) A nursing facility in Murray county licensed for 62 beds on September 30, 1998.

These increases are included in each facility's total payment rates for the purpose of determining future rates.

F. For the rate year beginning July 1, 1999, a nursing facility in Hennepin county licensed for 134 beds on September 30, 1998, will:

(1) Have the prior year's allowable care-related per diem increased by \$3.93 and the prior year's other operating cost per diem increased by \$1.69 before adding the inflation in Section 11.047, item D, subitem (2); and

(2) Be allowed a rate increase equal to 67 percent of the rate increase that would be allowed if Section 11.047, items A and B were not applied.

These increases are included in the facility's total payment rate for the purpose of determining future rates.

SECTION 11.050 Changes to nursing facility reimbursement beginning July 1, 2000.

A. The base operating rate is the rate for the rate year beginning July 1, 1998.

B. For the rate year beginning July 1, 2000, the Department will make an adjustment to the total operating payment rate for a nursing facility paid by the prospective rate-setting methodology described in Sections 1.000 to 20.000 or by the contractual rate-setting methodology described in Section 21.000 that submits a plan, approved by the Department, in accordance with subitem (2). The operating payment rate increases are applied to each nursing facility's June 30, 2000, operating payment rate.

Total operating costs will be separated into compensation-related costs and all other costs. Compensation-related costs include salaries, payroll taxes, and fringe benefits for all employees except management fees, the administrator, and central office staff.

(1) For the rate year beginning July 1, 2000, the payment rate is increased by:

(a) 3.632 percent of compensation-related costs;

(b) an additional increase for each case mix payment rate that must be used to increase the per-hour pay rate of all employees except management fees, the administrator, and central office staff by an equal dollar amount and to pay associated costs for FICA, the Medicare tax, workers' compensation premiums, and federal and state unemployment insurance, to be calculated according to the following:

1. the Department calculates the arithmetic mean of the eleven June 30, 2000, operating rates for each nursing facility;

2. the Department constructs an array of nursing facilities from highest to lowest, according to the arithmetic mean calculated in clause 1. A numerical rank is assigned to each facility in the array. The facility with the highest mean is assigned a numerical rank of one. The facility with the lowest mean is assigned a numerical rank equal to the total number of nursing facilities in the array. All other facilities are assigned a numerical rank in accordance with their position in the array;

3. the amount of the additional rate increase is \$1.00 plus an amount equal to \$3.13 multiplied by the ratio of the facility's numeric rank divided by the number of facilities in the array; and

(c) 2.585 percent of all other operating costs. A nursing facility's final 1999 Medicare cost report will be used to calculate the adjustment.

Money received by a nursing facility as a result of the increase provided by (b), above, must be used only for wage increases implemented on or after July 1, 2000, and must not be used for wage increases implemented before then.

(2) To receive the total operating payment rate adjustment, a nursing facility must apply to the Department. The application must contain a plan by which the nursing facility will distribute the compensation-related portion of the payment rate adjustment to employees of the nursing facility. For a nursing facility in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative constitutes the plan, but only if the agreement is finalized after May 16, 2000.

(a) The Department will review the plan to ensure that the payment rate adjustment per diem is used as provided in subitem (1).

(b) To be eligible, a nursing facility must submit its plan for the compensation distribution by December 31 each year. A nursing facility may amend its plan for the second rate year by submitting a revised plan by December 31, 2000. If a nursing facility's plan for compensation distribution is effective for its employees after July 1 of the year that the funds are available, the payment rate adjustment per diem shall be effective the same date as its plan.

(3) The payment rate adjustment for each nursing facility will be determined under clauses (a) or (b).

(a) For a nursing facility that reports salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the Department will determine the payment rate adjustment using the categories listed above multiplied by the rate increases in subitem (1), and then dividing the resulting amount by the nursing facility's actual resident days. In determining the amount of a payment rate adjustment for a nursing facility paid under Section 21.000, the Department must determine the proportions of the nursing facility's rates that are compensation-related costs and all other operating costs based on its most recent cost report; or

(b) For a nursing facility that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the payment rate adjustment will be computed using the nursing facility's total operating costs, separated into the categories listed above in proportion to the weighted average of all nursing facilities determined under subitem (3), clause (a), multiplied by the rate increases in subitem (1), and then dividing the resulting amount by the nursing facility's actual resident days.

STATE: MINNESOTA

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Supersedes: 99-10 (99-04/98-22/97-20/97-11)

ATTACHMENT 4.19-D (NF)

Page 66

C. If the performance-based contracting payment system anticipated to be effective by July 1, 2001 is not implemented until that date, the salary adjustment per diem in Section 11.055 continues until June 30, 2001.

D. For rate years beginning on or after July 1, 2000, a nursing facility in Goodhue county that was licensed for 104 beds on February 1, 2000, shall have its employee pension benefit costs reported on its Rule 50 cost report treated as PERA contributions for the purpose of computing its payment rates.

E. Following the determination under item B, a facility in Roseau county licensed for 49 beds, has its operating cost per diem increased by the following amounts:

- (1) case mix class A, \$1.97;
- (2) case mix class B, \$2.11;
- (3) case mix class C, \$2.26;
- (4) case mix class D, \$2.39;
- (5) case mix class E, \$2.54;
- (6) case mix class F, \$2.55;
- (7) case mix class G, \$2.66;
- (8) case mix class H, \$2.90;
- (9) case mix class I, \$2.97;
- (10) case mix class J, \$3.10; and
- (11) case mix class K, \$3.36.

These increases are included in the facility's total payment rates for the purpose of determining future rates.

SECTION 11.051 Total operating cost payment rate. Through June 30, 1999, the nursing facility's total operating cost payment rate must be the sum of the adjusted prospective case mix and other care-related payment rate determined in Section 11.020 and the adjusted other operating cost payment rate determined in Section 11.040.

SECTION 11.055 Salary adjustment per diem. Effective July 1, 1998, and ending June 30, 2001, the Department shall make available the appropriate salary adjustment per diem calculated in item A through D to the total operating cost payment rate of each nursing facility subject to payment under this attachment, including Section 21.000. The salary adjustment per diem for each nursing facility must be determined as follows:

A. For each nursing facility that reports salaries for registered nurses, licensed practical nurses, and aides, orderlies and attendants separately, the Department shall determine the salary adjustment per diem by multiplying the total salaries, payroll taxes, and fringe benefits allowed in each operating cost category, except management fees and administrator and central office salaries and the related payroll taxes and fringe benefits, by 3.0 percent and then dividing the resulting amount by the nursing facility's actual resident days.

B. For each nursing facility that does not report salaries for registered nurses, licensed practical nurses, aides, orderlies, and attendants separately, the salary adjustment per diem is the weighted average salary adjustment per diem increase determined under item A.

C. A nursing facility may apply for the salary adjustment per diem calculated under items A and B. The application must be made to the Department and contain a plan by which the facility will distribute the salary adjustment to employees of the facility. In order to apply for a salary adjustment, a facility reimbursed pursuant to Section 21.000 must report the information required by items A or B in the application, in the manner specified by the Department. For facilities in which the employees are represented by an exclusive bargaining representative, an agreement negotiated and agreed to by the employer and the exclusive bargaining representative, after July 1, 1998, may constitute the plan for the salary distribution. The Department will review the plan to ensure that the salary adjustment per diem is used solely to increase the compensation of facility employees. To be eligible, a facility must submit its plan for the salary distribution by December 31, 1998. If a facility's plan for salary distribution is effective for its employees after July 1, 1998, the salary adjustment cost per diem is effective the same date as its plan.

D. Additional costs incurred by facilities as a result of this salary adjustment are not allowable costs for purposes of the September 30, 1998 cost report.

~~SECTION 11.060 Adjustments to payment rate to comply with OBRA 87. Three one-time adjustments to the operating cost payment rate shall be established to provide additional reimbursement to nursing facilities and boarding care homes to comply with the requirements of the Omnibus Budget Reconciliation Act of 1987 (OBRA '87). These one-time adjustments to the payment rate shall be effective from January 1, 1990 to June 30, 1991. Since payment rates are based on historical facility costs, these adjustments will then be permanently incorporated into facility payment rates effective July 1, 1992.~~

~~SECTION 11.061 Nursing staff complement upgrade adjustment. A one-time adjustment to the payment rate shall be determined to adjust payment rates to upgrade the nursing staff complement for nursing facilities and boarding care homes which have all of their licensed beds certified at the intermediate care facility (ICF) level of care. The adjustment to the payment rate determined under this subsection covers cost increases to meet minimum standards for professional nursing staff.~~

~~A. The increased cost of professional nursing for an eligible nursing facility shall be determined according to subitems (1) through (4):~~

~~(1) Subtract from the number 8760 the compensated hours for professional nurses, both employed and contracted, and if the result is greater than zero, then multiply the result by \$4.55;~~

~~(2) Subtract from the number 2920 the compensated hours for registered nurses, both employed and contracted, and, if the result is greater than zero, then multiply the result by \$9.30;~~

~~(3) If an eligible nursing facility has less than 61 licensed beds, the director of nurses' compensated hours must be included in the compensated hours for professional nurses in item 1. If the director of nurses is also a registered nurse, the director of nurses' hours must be included in the compensated hours for registered nurses in item 2; and~~

~~(4) The one-time nursing staff adjustment to the payment rate shall be the sum of subitems (1) and (2) as adjusted by subitem (3), if appropriate, and then divided by the nursing facility's or boarding care home's actual resident days for the reporting year ending September 30, 1988.~~

~~(5) The Commissioner shall recompute the one-time nursing staff adjustment to the payment rate using the data from the cost report for the reporting period ending September 30, 1989, and the adjustment computed under this subitem shall replace the adjustment previously computed under this section effective October 1, 1990, and shall be effective for the period October 1, 1990, to June 30, 1992. For rate years beginning July 1, 1990, if an eligible nursing facility has less than 61 licensed beds, the director of nurses' compensated hours must be excluded from the computation of compensated hours for professional nurses and registered nurses.~~

~~B. If the State determines that it is not cost effective to upgrade an eligible nursing facility or boarding care home to the new minimum staff standards, the State may exclude the nursing facility or boarding care home if it is either an institution for mental diseases or a nursing facility or boarding care home that would have been determined to be an institution for mental diseases, but for the fact that it has 16 or fewer licensed beds.~~

~~C. If a nursing facility or boarding care home is granted a waiver to the minimum professional nursing staff standards under OBRA '87 for either the professional nurse adjustment referred to in item 1, or the registered nurse adjustment in item 2, the State must recover the portion of the nursing facility's or boarding care home's payment rate that relates to a one-time nursing staff adjustment granted under this section. The amount to be recovered shall be based on the type and extent of the waiver granted.~~

~~SECTION 11.062 Adjustment for licensed nursing facilities. A one-time adjustment to the payment rate shall be established for increased costs to licensed nursing facilities certified at the nursing facility (NF) or intermediate care facility (ICF) level of care. This adjustment must not be paid to freestanding boarding care homes. The State shall add 30 cents per resident per day to the nursing home's payment rate.~~

~~SECTION 11.063 Adjustment for licensed boarding care homes. A one-time adjustment to the payment rate shall be determined for increased costs to licensed freestanding boarding care homes certified at the intermediate care facility (ICF) level. The maximum allowable annual adjustment per bed is \$300.~~

~~A. The adjustment to the payment rate determined under this subpart covers increased costs for a medical director, nurse aide training for newly hired aides, ongoing in-service training for nurses aides, and other requirements identified by the State that are required because of OBRA '87.~~

~~B. Each facility eligible for this adjustment shall submit to the State a detailed estimate of the cost increases the facility will incur for those costs listed under item A. The costs that are determined to be reasonable and necessary for a freestanding certified boarding care home to comply with OBRA '87, except those costs associated with professional nursing staff complement increases, must be included in the calculation of this adjustment.~~

~~C. The one-time adjustment is the cost allowed in item B, subject to the \$300 maximum allowable annual adjustment per bed, divided by the boarding care home's actual resident days for the reporting year that ended September 30, 1988.~~

SECTION 12.000 DETERMINATION OF INTERIM AND SETTLE-UP OPERATING COST PAYMENT RATES

SECTION 12.010 Conditions. To receive an interim payment rate, a nursing facility must comply with the requirements and is subject to the conditions in Section 15.140, items A to C. The Department shall determine interim and settle-up operating cost payment rates for a newly constructed nursing facility, or one with an increase in licensed capacity of 50 percent or more according to Sections 12.020 and 12.030.

SECTION 12.020 Interim operating cost payment rate. For the rate year or portion of an interim period beginning on or after July 1, 1987, the interim total operating cost payment rate must be determined according to Sections 1.000 to 14.000, except that:

A. The nursing facility must project its anticipated resident days for each resident class. The anticipated resident days for each resident class must be multiplied by the weight for that resident class as listed in Section 13.000 to determine the anticipated standardized resident days for the reporting period.

B. The Department shall use anticipated standardized resident days in determining the allowable historical case mix operating cost standardized per diem.

C. The Department shall use the anticipated resident days in determining both the allowable historical other care-related operating cost per diem and the allowable historical other operating cost per diem.

D. The annual adjustment factors determined in Section 10.010, must not be applied to the nursing facility's allowable historical per diems as provided in Sections 11.020 and 11.040.

E. The efficiency incentive in Section 11.040, items A or B, must not apply.

SECTION 12.030 Settle-up operating cost payment rate. The settle-up total operating cost payment rate must be determined according to items A to C.

A. The settle-up operating cost payment rate for interim periods before July 1, 1987, is subject to the rule parts that were in effect during the interim period.

B. To determine the settle-up operating cost payment rate for interim periods or the portion of an interim period occurring after July 1, 1987, subitems (1) to (7) must be applied.

(1) The standardized resident days as determined in Section 9.020 must be used for the interim period.

(2) The Department shall use the standardized resident days in subitem (1) in determining the allowable historical case mix operating cost standardized per diem.

(3) The Department shall use the actual resident days in determining both the allowable historical other care-related operating cost per diem and the allowable historical other operating cost per diem.

(4) The annual adjustment factors determined in Section 10.010 must not be applied to the nursing facility's allowable historical per diems.

(5) The efficiency incentive in Section 11.040, items A or B, must not apply.

C. For the nine-month period following the settle-up reporting period, the total operating cost payment rate must be determined according to item B except that the efficiency incentive as computed in Section 11.040, item A or B, applies.

~~D. The total operating cost payment rate for the rate year beginning July 1 following the nine-month period in item C must be determined under Sections 6.000 to 14.090.~~

E. A newly-constructed nursing facility or one with an increase in licensed capacity of 50 percent or more must continue to receive the interim total operating cost payment rate until the settle-up total operating cost payment rate is determined under this subpart.

SECTION 13.000 RESIDENT CLASSES AND CLASS WEIGHTS.

SECTION 13.010 Resident classes. Each resident or applicant must be assessed according to items A to E based on the information on the assessment form completed in accordance with Sections 14.000 to 14.060 (Resident Assessment Section).

A. A resident or applicant must be assessed as dependent in an activity of daily living according to the following table:

<u>ADL</u>	<u>Dependent if Score At or Above</u>
Dressing	2
Grooming	2
Bathing	4
Eating	2
Bed mobility	2
Transferring	2
Walking	2
Toileting	1

B. A resident or applicant assessed as dependent in fewer than four of the ADLs in item A must be defined as Low ADL. A resident or applicant assessed as dependent in four through six of the ADLs in item A must be defined as Medium ADL. Each resident or applicant assessed as dependent in seven or eight of the ADLs in item A must be defined as High ADL.

C. A resident or applicant must be defined as special nursing if the resident or applicant meets the criteria in subitems (1) or (2):

(1) the resident or applicant is assessed to require tube feeding; or

(2) the resident or applicant is assessed to require clinical monitoring every day on each shift and the resident is assessed to require one or more of the following special treatments:

- (a) oxygen and respiratory therapy;
- (b) ostomy/catheter care;
- (c) wound or decubitus care;
- (d) skin care;
- (e) intravenous therapy;
- (f) drainage tubes;
- (g) blood transfusions;
- (h) hyperalimentation;
- (i) symptom control for the terminally ill; or
- (j) isolation precautions.

D. A resident or applicant must be defined as having a neuromuscular condition if the resident or applicant is assessed to have one or more of the diagnoses coded to the categories in subitems (1) to (8) according to the International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM).

- (1) diseases of nervous system excluding sense organs (320-359 excluding 331.0);
- (2) cerebrovascular disease (430-438 excluding 437);
- (3) fracture of skull (800-804), excluding cases without intracranial injury;
- (4) intercranial injury, excluding those with skull fracture (850-854);

(5) fracture of vertebral column with spinal cord injury (806);

(6) spinal cord injury without evidence of spinal bone injury (952);

(7) injury to nerve roots and spinal plexus (953); or

(8) neoplasms of the brain and spine (170.2, 170.6, 191, 192, 198.3, 198.4, 213.2, 213.6, 225, 237.5, 237.6, and 239.6).

E. A resident or applicant must be defined as having a behavioral condition if the resident's or applicant's assessment score is two or more for behavior on the assessment form.

SECTION 13.020 Resident classes. The Department shall establish resident classes according to items A to K.

A. A resident must be assigned to class A if the resident is assessed as:

- (1) Low ADL;
- (2) not defined behavioral condition; and
- (3) not defined special nursing.

B. A resident must be assigned to class B if the resident is assessed as:

- (1) Low ADL;
- (2) defined behavioral condition; and
- (3) not defined special nursing.

C. A resident must be assigned to class C if the resident is assessed as:

- (1) Low ADL; and
- (2) defined special nursing.

D. A resident must be assigned to class D if the resident is assessed as:

- (1) Medium ADL;
- (2) not defined behavioral condition; and

(3) not defined special nursing.

E. A resident must be assigned to class E if the resident is assessed as:

- (1) Medium ADL;
- (2) defined behavioral condition; and
- (3) not defined special nursing.

F. A resident must be assigned to class F if the resident is assessed as:

- (1) Medium ADL; and
- (2) defined special nursing.

G. A resident must be assigned to class G if the resident is assessed as:

- (1) High ADL;
- (2) scoring less than three on the eating ADL;
- (3) not defined special nursing; and
- (4) not defined behavioral condition.

H. A resident must be assigned to class H if the resident is assessed as:

- (1) High ADL;
- (2) scoring less than three on the eating ADL;
- (3) defined behavioral condition; and
- (4) not defined special nursing.

I. A resident must be assigned to class I if the resident is assessed as:

- (1) High ADL;
- (2) scoring three or four on the eating ADL;

(3) not defined special nursing; and

(4) not defined neuromuscular condition.

J. A resident must be assigned to class J if the resident is assessed as:

(1) High ADL;

(2) scoring three or four on the eating ADL;

(3) not defined special nursing; and

(4) defined neuromuscular condition or scoring three or four on behavior

K. A resident must be assigned to class K if the resident is assessed as:

(1) High ADL; and

(2) defined special nursing.

SECTION 13.030 Class weights. The Department will assign weights to each resident class according to items A to K.

A. Class A, 1.00;

B. Class B, 1.30;

C. Class C, 1.64;

D. Class D, 1.95;

E. Class E, 2.27;

F. Class F, 2.29;

G. Class G, 2.56;

H. Class H, 3.07;

I. Class I, 3.25;

J. Class J, 3.53;